

[7th March, 2001]

RAJYA SABHA

**Consultation between Communication, disinvestment Ministries and PMO**

1002. SHRI NILOTPAL BASU: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that in the consultation between Communication, Disinvestment Ministries and the PMO, it was decided to specifically go into the security concerns arising out of proposed disinvestment of Government shares in VSNL to 26 per cent and consult the Ministry of Home Affairs and other appropriate security agencies;

(b) if so, whether it was also decided that his Ministry will initiate this process of consultation;

(c) if so, whether such a consultation has taken place; and

(d) if so, the details thereof and the outcome thereof?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (d) The decision of the Government to disinvest in Videsh Sanchar Nigam Limited involved inter-ministerial consultations on all aspects of disinvestment. Security concerns would be suitably dealt with in consultation with Department of Telecommunication and Ministry of Home Affairs at the time of disinvestment. Inter ministerial Meetings to this effect have already been held.

**News-item "IPCL issue smacks of scam, says Opposition"**

1003. SHRIMATI CHANDRA KALA PANDEY: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned, "IPCL issue smacks of scam, says Opposition" which appeared in the Times of India (New Delhi), dated 22nd December, 2000;

(b) if so, Government's reaction thereto;

(c) whether synergy of operation and interest of the companies are being taken into account on similar lines for selling of IBP shares to BPCL as per Nitish Sen Gupta Committee's recommendation; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Yes, Sir. The decision to transfer the Vadodara unit to IOC and disinvestment through strategic sale of 25% equity for the rest of IPCL has been taken in view of synergies of this unit with the Gujarat Refinery of IOC, after inter-ministerial consultations between Department of Disinvestment, Ministry of Petroleum and Natural Gas and Department of Chemicals and Petrochemicals as well as with the Indian Oil Corporation. IOC can also participate in the strategic sale. Therefore, the Government has neither imposed an old unit of IPCL on IOC nor prevented it from participating in the process of disinvestment in IPCL.

(c) and (d) Government, after considering various options and all aspects, has decided to retain only 26% equity in IBP Co. Limited and to disinvest the balance 33.6% through international competitive bidding in which the domestic oil companies can also participate.

#### **Bids for Centaur chain of five-star hotels**

1004. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have moved a step closer towards sort listing and inviting financial bids for Hotel Corporation of India's Centaur chain of five-star hotels;

(b) if so, whether Government have considered the top bidder on this issue; and

(c) if so, by when a final decision in this regard is likely to be taken?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) The process of disinvestment in Hotel Corporation of India Limited is under progress.

(c) No time frame for taking a final decision in the matter has yet been finalised.

#### **Disinvestment of MFIL**

1005. SHRI ABANI ROY: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the employees of Modern Food Industries Limited have raised their voice against disinvestment of their company, as reported in the Times of India, dated the 2nd February, 2001;

(b) if so, whether MFIL has been deliberately showing increase in losses to retrench its employees;

(c) if so, the details thereof;